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SOAH DOCKET NO. 473-20-4071.WS PUC DOCKET NO. 50788

RATEPAYERS APPEAL OF THE	§	BEFORE THE STATE OFFICE
DECISION BY WINDERMERE OAKS	§	
WATER SUPPLY CORPORATION TO	§	\mathbf{OF}
CHANGE WATER AND SEWER	§	
RATES	8	ADMINISTRATIVE HEARINGS

WINDERMERE OAKS WATER SUPPLY CORPORATION'S RESPONSE TO SOAH ORDER NO. 19

TO THE HONORABLE ADMINISTRATIVE LAW JUDGES:

Windermere Oaks Water Supply Corporation (WOWSC), files this Response to SOAH Order No. 19¹. On June 30, 2022, the Public Utility Commission of Texas (Commission) remanded this docket to the State Office of Administrative Hearings (SOAH).² SOAH Order No. 19 states "parties shall submit a proposal…on how to proceed" by July 29, 2022. Therefore, this Response is timely filed.

I. RECOMMENDATION REGARDING HOW TO PROCEED

SOAH Order No. 19 requires parties to submit a proposal on whether to proceed on: (1) the existing record and briefs; (2) the existing record with additional briefing; or (3) reopening the evidentiary record. It is WOWSC's strong preference to proceed without reopening the evidentiary record. Parties have already spent three full days in hearing on the merits and filed testimony and briefing on all issues required to examine the rate appeal under TWC § 13.043. WOWSC is very mindful of incurring additional rate case expenses on a matter that has already been fully litigated.³

However, if the Administrative Law Judges (ALJ) choose to ask for additional briefing or reopen the record, as requested by Commission Staff and Ratepayers, WOWSC would respectfully request that the ALJs place clear limits on the scope of such briefing or testimony. Additionally, WOWSC urges the ALJs to limit or disallow hearing on the merits in an effort to avoid incurring rate case expenses related to litigation.

¹ SOAH Order No. 19—Requiring Filing (Jul. 7, 2022).

² Order Remanding Proceeding (Jun. 20, 2022).

³ And where Staff has already recommended limiting rate case expense recovery in an effort to "turn off the tap of free-flowing legal expenses." Commission Staff's Exceptions to the Proposal for Decision (May 17, 2022) (PFD).

Parties have had the opportunity to fully litigate this proceeding and have provided testimony and recommendations on all of the standards under TWC § 13.043(j). Commission Staff states that there "have been rulings involving responses to requests for information, briefing, pre-filed testimony, and testimony offered at hearing...that excluded evidence necessary to evaluate all of the standards prescribed under TWC § 13.043(j)" but does not cite to any such rulings.⁴ Ratepayers indicate that they want all of WOWSC's objections overruled in light of the Order Remanding Proceeding.⁵ All rulings made in the course of this proceeding have aligned with the issues as laid out in the preliminary order. The Order Remanding Proceeding does not change the scope of the preliminary order and therefore does not require re-litigation of these issues.

Allowing parties to re-litigate these issues will only incur more rate case expenses by requiring the utility to prepare testimony, answer discovery, attend hearing, and complete additional briefing. Commission Staff has already opined that the level of legal fees incurred in this proceeding far exceed the increase being appealed and reopening the record would only exacerbate these costs and further impact WOWSC members. The record is complete and sufficient to examine the appeal under the standards of TWC § 13.043(j) as required in the Order Remanding Proceeding. WOWSC would be amenable to entering limited additional exhibits into the record upon the ALJs' request and/or briefing issues that the ALJs feel need more clarification for their examination on remand.

CONCLUSION

WHEREFORE, PREMISES CONSIDERED, WOWSC respectfully requests the ALJs proceed with the existing record. WOWSC also requests any other relief to which it may show itself justly entitled.

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⁴ Commission Staff's Proposal on How to Proceed (Jul. 28, 2022).

⁵ Ratepayers Required Filing Pursuant to SOAH Order No. 19 (Jul. 28, 2022).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on July 29, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

JAMIE L. MAULDIN